

## FTC FUNERAL RULE

Each year, Americans arrange more than 2 million funerals for family and friends. Initially consumers may not be concerned about funeral expenses. Yet, at a potential cost of more than \$5,000, consumers may want to be aware of regulations that help protect them.

In 1984, the Federal Trade Commission (FTC) developed a trade regulation rule concerning funeral industry practices called the **Funeral Rule**. Its purpose is to enable consumers to obtain information about funeral arrangements.

The Funeral Rule makes it easier for you to select only those goods and services you want or need and to pay for only those you select. The rule allows consumers to find out the cost of individual funeral items over the telephone. Getting price information over the telephone makes it easier for you to compare prices and select the funeral home and arrangements you want.

If you inquire in person about funeral arrangements, the funeral provider must give you a general price list. This list, which you can keep, contains the cost of each item and service offered. As with telephone inquiries, you can use this information to help select the funeral provider and funeral items you want, need, and are able to afford.

The price list must also disclose important legal rights and requirements regarding funeral arrangements. It must include information about embalming, cash advance items such as newspaper notices or flowers, caskets for cremation, and required purchases.

The Funeral Rule requires funeral providers to give consumers information about embalming that may help you decide whether to purchase the service. Under the rule, a funeral provider:

- may not falsely state that embalming is required by law.
- must disclose in writing that, except in certain special cases, embalming is not required by law.
- may not charge a fee for unauthorized embalming unless it is required by state law.
- will disclose in writing that you usually have the right to choose a disposition such as direct cremation or immediate burial if you do not want embalming. In North Dakota, with specific exceptions, embalming is not required if the body is buried, cremated, or is given final disposition within 48 hours after death.
- will disclose to you in writing that certain funeral arrangements, such as a viewing, may make embalming a practical necessity and a required purchase.

The Funeral Rule requires funeral providers to disclose to you in writing if they charge a fee for buying cash advance items. Cash advance items are goods or services that are

paid for by the funeral provider on your behalf. Some examples of cash advance items are flowers, obituary notices, pallbearers, and clergy honoraria. Some funeral providers charge only their cost for these items. Others add a service fee to their cost. The Funeral Rule requires the funeral provider to inform you ahead of time when a service fee is to be added to the price of cash advance items or if the provider gets a refund, discount, or rebate from the supplier of any cash advance item.

If you choose a direct cremation, the funeral provider will offer you either an inexpensive alternative container or an unfinished wood box. An alternative container is a non-metal enclosure used to hold the deceased's remains. Such containers may be made of pressboard, cardboard, or canvas. A wood box or alternative container may lower your funeral cost because it would be less expensive than a traditional burial casket.

Under the Funeral Rule, funeral directors who offer direct cremations:

- may not tell you that state or local law requires a casket for direct cremations.
- must disclose in writing your right to buy an unfinished wood box or alternative container for direct cremation.
- must make an unfinished wood box or alternative container available for direct cremation.

You do not have to purchase unwanted goods or services as a condition of obtaining those you do want unless you are required to do so by state law. Under the Funeral Rule:

- you have the right to choose only the funeral goods and services you want, with some disclosed exceptions.
- the funeral provider must disclose this right in writing on the general price list.
- the funeral provider must disclose on your itemized statement of goods and services selected the specific state law that requires you to purchase any particular item.

The funeral provider must give you an itemized statement of the total cost of the funeral goods and services you select. This statement will also disclose any legal, cemetery, or crematory requirements that compel you to purchase any specific funeral goods or services. The funeral provider must give you this statement after you select the funeral goods and services that you would like. The statement combines in one place the prices of the individual items you are considering for purchase, as well as the total price. This helps you decide whether to add or subtract items to get what you want.

If the cost of cash advance items is not known at the time, the funeral provider must write down a "good faith estimate" of their cost. The rule does not require any specific form for this information. Therefore, funeral providers may include this information in any document they give you at the end of your discussion about funeral arrangements.

You may want to consult with someone else, such as your cleric or an experienced friend, if you don't think your emotional state will let you objectively evaluate a funeral provider's products and services.

If you have a problem concerning funeral matters, first attempt to resolve it with your funeral director. If you are dissatisfied, you may contact the Attorney General's Consumer Protection Division or the State Board of Funeral Service by writing to Dr. Terry Dwelle, State Health Officer, Department of Health, 600 East Boulevard Avenue, Bismarck, North Dakota 58505-0200.